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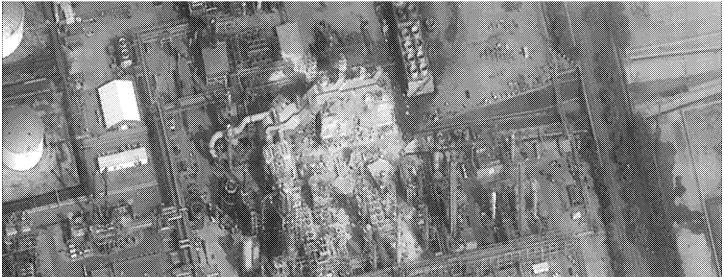
To: OLEM OEM RID [OLEM OEM RID@epa.gov]

Subject: Bloomberg Environment and Energy Report - EPA Urged to Reopen Refinery Safety Study After Explosions

EPA Urged to Reopen Refinery Safety Study After Explosions

Posted April 24, 2019, 2:48 PM Updated April 24, 2019, 6:38 PM By Sam Pearson

- Safety study from 1993 should get new look, CSB says
- Investigations of refinery explosions in 2015 and 2018 prompted board to recommend review



DigitalGlobe satellite image of the Torrence, Calif. refinery after an explosion in February 2015.

Photographer: DigitalGlobe via Getty Images

The Environmental Protection Agency should revisit a decades-old <u>study</u> to determine if it understates the risks of an oil refining chemical to workers and communities, a federal safety agency said.

The U.S. Chemical Safety and Hazard Investigation Board <u>said</u> its investigations of refinery explosions at Exxon Mobil Corp. in Torrance, Calif., <u>in 2015</u> and <u>Husky Energy Inc.</u> in Superior, Wis., in 2018 flagged significant questions about the chemical hydrogen fluoride, commonly known as hydrofluoric acid. Refineries use the chemical to produce gasoline, but an accidental release could result in a toxic vapor cloud that can cause burns, serious injury, or death at concentrations above 30 parts per million.

Companies that use hydrofluoric acid could be subject to EPA fines if the agency finds their safety documents, known as risk management plans, fail to adequately consider the risk of the chemical. The EPA could also prod companies to change how they operate if it identifies safer alternatives to hydrofluoric acid. About 50 oil refineries in the U.S. use the chemical in their operations, the board said.

The EPA isn't required to take action based on the board's letter. The agency said in an email April 24 that it is reviewing the board's suggestions.

The letter is the first such request the CSB has made of the EPA during the Trump administration. The board can also issue formal safety recommendations and list the agency's response as unacceptable if it does not comply. The CSB has issued 25 safety recommendations to the EPA, most recently in 2016. Of the requests, nine remain unfulfilled, according to agency data.

The board wants environmental regulators to examine if oil refineries have sufficient safety plans to protect against releases of hydrofluoric acid or a similar chemical known as modified hydrofluoric acid. The EPA should also look into whether oil refiners could switch to commercially-viable alternatives to the chemicals that don't present the same risks, it said.

"Refiners, their workforce and communities that surround the refineries need assurances that the risk plans are adequate to prevent a catastrophic release," Kristen Kulinowski, a CSB board member serving as interim executive, said in a statement April 24.

Husky Energy said its safety systems functioned correctly in preventing a release of hydrogen fluoride during the plant explosion. The company has since installed additional protective measures such as a laser detection system, a system to rapidly transfer hydrogen fluoride into a secure holding tank in an emergency, and other improvements, spokesman Mel Duvall said in an email to Bloomberg Law.

"We will continue to work with all regulators and the community to enhance safety at our facilities," Duvall said. The American Petroleum Institute, which represents oil companies that operate refineries, said in an email to Bloomberg Law refineries' use of the chemical is already heavily regulated by the EPA, the Occupational Safety and Health Administration, U.S. Coast Guard, and Department of Homeland Security.

Hydrogen fluoride "is a very well known and well understood technology," the trade group said.

Representatives for Exxon Mobil and PBF Energy Inc., which acquired Exxon's Torrance refinery in 2016, didn't immediately respond to Bloomberg Law's request for comment.

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In the Torrance and Superior investigations, explosions in the refineries' fluid catalytic cracking units injured workers and prompted nearby residents to evacuate. The refineries' hydrofluoric acid didn't ignite, but the safety board said the chemical could have caught fire and caused far worse consequences.

The EPA examined the use of the chemical in a 1993 report to Congress, which lawmakers required under the Clean Air Act Amendments of 1990. At the time, the EPA said it would monitor if new regulations were needed to control refineries' use of hydrofluoric acid and that no new legislation was needed to address the threat.

The Husky Energy fire and explosion in 2018 prompted the company to spend at least \$53 million as a result of the explosion on repairs and safety improvements, some of which was paid by the company's insurance, according to company earnings statements.

The CSB held public meetings in Torrance and Superior to discuss the explosions with workers and area residents. Lawmakers and local officials representing areas adjacent to the facilities have also <u>spoken out</u> in favor of tougher action.

(Corrects date of Huskey facility explosion and adds comments from Husky Energy and American Petroleum Institute.) To contact the reporter on this story: Sam Pearson in Washington at spearson@bloombergenvironment.com
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